U.S. Department of Homeland Security Washington, DC 20472



April 1, 2025

Neil Thompson Deputy Assistant Director New York City Office of Management and Budget 255 Greenwich Street, 8th Floor New York, NY 10007

Re: Termination Notice: Shelter and Services Program Grant Award

Grant Number: EMW-2023-SP-05027 Award amount: \$106,879,743.00

Grant Number: EMW-2024-SP-05018 Award amount: \$59,302,125.07

Grant Number: EMW-2024-SP-05125 Award amount: \$22,169,838.00

Dear Mr. Thompson:

This letter serves as official notice that the Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) is terminating your Shelter and Services Program (SSP) grant awards identified above, effective immediately. DHS/FEMA is making this termination pursuant to the terms and conditions of the grant awards. These terms and conditions include the SSP Notice of Funding Opportunity (NOFO) that applies to your grant and 2 C.F.R. § 200.340(a)(2) (2020), which authorizes DHS/FEMA to terminate your awards "to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities."

Your agency received the grant awards identified above to carry out the purposes of the SSP identified in the awards' respective NOFOs. The Department, consistent with President Trump's direction, is focused on advancing the essential mission of enforcing immigration laws and securing the border. Consequently, grant programs that support, or have the potential to support, illegal immigration through funding illegal activities or support for illegal aliens that is not consistent with DHS's enforcement focus do not effectuate the agency's current priorities. The previous agency priorities under the FYs 2023 and 2024 SSP were to provide funding to non-federal entities to provide shelter, food, transportation, acute medical care, and personal hygiene supplies for individuals released from DHS short-term holding facilities. The individuals receiving these services often have no legal status and are in the United States unlawfully, such as those awaiting removal proceedings. This, in turn, provides support for illegal aliens and is not consistent with DHS's current priorities. For these reasons, DHS/FEMA is terminating your awards.

Notice of Grant Award Termination: Shelter and Services Program Page 2

In accordance with the terms of your awards, including 2 C.F.R. §§ 200.344-345 (2020), you must complete all closeout procedures. This includes, among other things, submitting all financial, performance, and other required reports within 120 calendar days from the date of this letter and promptly refunding any funding paid to date that exceed the amount set forth in your final federal financial report. FEMA previously issued a Remedy of Noncompliance Letter on February 18, 2025, informing you that you were not permitted to incur any additional costs under the awards until further notice from DHS/FEMA. This means that, during the closeout process, your final federal financial report must include all allowable costs incurred before the date of the Remedy of Noncompliance Letter but must not include costs incurred after the date of that Remedy of Noncompliance Letter.

FEMA will review all closeout documentation in accordance with 2 C.F.R. § 200.344. As part of its review, FEMA will determine the final allowable costs for your awards. This will include evaluating whether all submitted costs incurred before the date of the Remedy of Noncompliance Letter are necessary, allocable, and reasonable. FEMA will notify you of the final allowable costs for the awards and, if the payments made exceed the final allowable costs, you will need to promptly refund the difference. If, on the other hand, FEMA determines that the total allowable costs exceed the amount paid to date, then FEMA will make a final payment for that difference. FEMA will close the awards when it determines that all administrative actions and required work have been completed. Closeout will not affect DHS/FEMA's ability to later disallow costs and recover funds for the grant awards based on any later post-closeout audit or review.

If you wish to object to the termination of this award, you may challenge the termination in writing and provide any information or documentation relevant to your challenge. You must submit any written objections no later than 30 days of this letter. There will be no other opportunity to appeal this action to Department of Homeland Security.

The FEMA Grant Programs Directorate is available to respond to any questions you may have. Please send all information and communications regarding this notification to <u>FEMA-SSP@fema.dhs.gov</u>.

Sincerely,

How

Cameron Hamilton
Senior Official Performing the Duties of the
Administrator